

Message Text

LIMITED OFFICIAL USE

PAGE 01 WELLIN 02339 060400Z
ACTION EB-08

INFO OCT-01 EA-10 ISO-00 CIAE-00 DODE-00 PM-05 H-01
INR-10 L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15
ICA-11 AGRE-00 COME-00 TRSE-00 OMB-01 /073 W
-----032772 060412Z /21
P 060351Z MAY 78
FM AMEMBASSY WELLINGTON
TO SECSTATE WASHDC PRIORITY 5515
AMEMBASSY CANBERRA PRIORITY

LIMITED OFFICIAL USE WELLINGTON 02339

CANBERRA FOR VICE PRESIDENT

E.O. 11652: N/A
TAGS: ETRD, EAGR, NZ
SUBJECT: PROPOSED RESTRICTIVE BEEF LEGISLATION

REF: (A) STATE 111928, (B) CANBERRA 3440

1. SUMMARY: PROPOSED LEGISLATION TO ALTER PRESENT
BEEF IMPORT SYSTEM CAN ONLY ROCK AN ALREADY SHAKY NEW
ZEALAND ECONOMY. SUCH CANNOT HELP BUT DAMAGE BILATERAL
RELATIONS, WHICH IN TURN WILL HAVE REAL COSTS FOR OUR
FOREIGN POLICY INTERESTS IN THIS PART OF THE WORLD. THE
TOPIC WILL BE RAISED WITH VICE PRESIDENT MONDALE WHEN
HE ARRIVES HERE. END SUMMARY.

2. LIKE THE AUSTRALIANS (REF B), THE GOVERNMENT OF
NEW ZEALAND VIEWS WITH GREAT ALARM ANY U.S. EFFORTS TO
RESTRICT FURTHER ACCESS TO THE AMERICAN BEEF MARKET.
ONE OFFICIAL WITH WHOM WE HAVE SPOKEN REFERRED TO THE
BENTSEN LEGISLATION, IF PASSED, AS A "DISASTER FOR
NEW ZEALAND." OTHER OFFICIALS HAVE CONFIRMED THAT THIS
TOPIC WILL BE GIVEN HIGH PRIORITY IN PRIME MINISTER
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 WELLIN 02339 060400Z

MULDOON'S FORTHCOMING MEETING WITH VICE PRESIDENT MONDALE.

3. IT IS WELL KNOWN THAT TODAY NEW ZEALAND IS MORE
AND MORE A COUNTRY ECONOMICALLY BESIEGED. SOARING
IMPORT AND INVISIBLE COSTS AND SHRINKING ACCESS TO
SOME MARKETS FOR AGRICULTURAL EXPORTS HAVE CAUSED
A HUGE BALANCE OF PAYMENTS DEFICIT. THIS IN TURN

HAS BROUGHT ABOUT FALLING LIVING STANDARDS, WITH UNEMPLOYMENT NOW AT ITS HIGHEST RATE SINCE WORLD WAR II. FROM THE FIGURES AVAILABLE TO US, WE CALCULATE QUOTA BEEF EXPORTS TO THE U.S. CONTRIBUTED ABOUT DOLS 147.7 MILLION OF FOREIGN EXCHANGE LAST YEAR AND WILL PROVIDE MUCH MORE (GIVEN HIGHER PRICES) THIS YEAR. IT SEEMS CERTAIN THAT, GIVEN THE PARALLEL CYCLES BETWEEN NEW ZEALAND AND AMERICAN BEEF PRODUCTION, THE TYPE OF COUNTER-CYCLICAL LEGISLATION PROPOSED WOULD GREATLY REDUCE THESE EARNINGS AND THUS SEVERELY DAMAGE THIS ECONOMY.

4. IN RECENT MONTHS, PRIME MINISTER MULDOON AND OTHER SPOKESMEN HAVE EXPERIENCED SURPRISE AND SOME ANGER THAT NEW ZEALAND'S BASIC TRADING INTERESTS HAVE BEEN HIT THE HARDEST BY COUNTRIES WITH WHOM NEW ZEALAND FOUGHT IN THE LAST WAR OR WITH WHOM IT HAS COOPERATED CLOSELY IN THE POSTWAR ERA. ALTHOUGH THE BRUNT OF THIS CRITICISM HAS BEEN DIRECTED AGAINST JAPAN AND ELEMENTS IN THE EC, WE ARE TOLD MANY HERE BELIEVE THE SAME COMMENTS COULD BE APPLIED TO THE U.S. AS WELL.

5. WE HAVE AN UNUSUALLY STRONG COOPERATIVE RELATIONSHIP WITH THIS ANZUS ALLY. TOGETHER WITH AUSTRALIA, IT PROVIDES AN ELEMENT OF STABILITY IN THIS PART OF THE WORLD, WHICH IS EVER MORE IMPORTANT WITH NEW EMERGING MICRO-STATES IN THE SOUTH PACIFIC AND A RISING PRC AND LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 WELLIN 02339 060400Z

RUSSIAN INTEREST. IN ADDITION, NEW ZEALAND PROVIDES, AT NO CHARGE TO US, SUBSTANTIAL SUPPORT FACILITIES FOR OUR ANTARCTIC PROGRAM. IN BOTH OF THESE AREAS, LACK OF NEW ZEALAND COOPERATION WOULD EITHER IMPAIR OUR INTERESTS OR COST US MILLIONS HAD WE TO MAKE OTHER ARRANGEMENTS.

6. IT IS FOR THESE REASONS THAT WE URGE THE ADMINISTRATION TO DO ALL IT CAN TO FORESTALL THIS PIECE OF LEGISLATION WHICH CAN DO GRIEVOUS HARM TO A PEOPLE WHO HAVE BEEN AMONG OUR CLOSEST FRIENDS FOR DECADES. SELDEN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: REPORTS, LEGISLATIVE BILLS, IMPORT CONTROLS, MEATS
Control Number: n/a
Copy: SINGLE
Draft Date: 06 may 1978
Decaption Date: 20 Mar 2014
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978WELLIN02339
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780193-0441
Format: TEL
From: WELLINGTON
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780585/aaaacutf.tel
Line Count: 105
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: acf6b4a2-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: ONLY
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: ONLY
Reference: 78 STATE 111928, 78 CANBERRA 3440
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 28 apr 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2768645
Secure: OPEN
Status: NATIVE
Subject: PROPOSED RESTRICTIVE BEEF LEGISLATION
TAGS: ETRD, EAGR, NZ
To: STATE CANBERRA
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/acf6b4a2-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014